

70119

**BELLE CHASSE ACADEMY, INC.**  
**FINANCIAL AND COMPLIANCE AUDIT**  
**TOGETHER WITH**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/14/09

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
**Belle Chasse Academy, Inc.**

We have audited the accompanying statement of financial position of **Belle Chasse Academy, Inc. (BCA)** (a not-for-profit corporation) as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the management of **BCA**. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **BCA** as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors of  
**Belle Chasse Academy, Inc.**  
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In accordance with the Government Auditing Standards, we have also issued our report dated December 19, 2008 on our consideration of BCA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of BCA taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 19, 2008



**BELLE CHASSE ACADEMY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2008**

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**ASSETS**

Current assets:	
Cash and cash equivalents	\$ 3,843,681
Cash - restricted	<u>12,741</u>
Sub-total	<u>3,856,422</u>
Grants receivable	572,833
Prepaid expenses	<u>50,660</u>
Total current assets	<u>623,493</u>
Property and equipment, net (NOTE 3)	<u>12,246,103</u>
Total assets	<u>\$16,726,018</u>

**LIABILITIES AND NET ASSETS**

Current liabilities:	
Accounts payable	\$ 509,246
Accrued liabilities	265,789
Due to student groups	12,741
Obligation under capital lease (NOTE 2)	<u>263,123</u>
Total current liabilities	<u>1,050,899</u>
Noncurrent liabilities:	
Obligation under capital lease (NOTE 2)	<u>11,985,990</u>
Total liabilities	<u>13,036,889</u>
Net assets:	
Unrestricted (NOTE 1)	<u>3,689,129</u>
Total net assets	<u>3,689,129</u>
Total liabilities and net assets	<u>\$16,726,018</u>

The accompanying notes are an integral part of these financial statements.

**BELLE CHASSE ACADEMY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2008**

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**REVENUES**

Local Sources:

Income from meals	\$ 106,349
Contributions	41,565
Book sales	18,036
Other	27,329
Interest	<u>98,435</u>

Total revenues from local sources 291,714

State Sources:

Minimum Foundation Program	8,186,226
Grants	120,137
Other	<u>31,930</u>

Total revenues from state sources 8,338,293

Federal Sources - Grants: 3,301,806

Total revenues 11,931,813

The accompanying notes are an integral part of these financial statements.

(CONTINUED)

**BELLE CHASSE ACADEMY, INC.**  
**STATEMENT OF ACTIVITIES, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2008**

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**EXPENSES**

Instruction:	
Regular	\$ 4,924,345
Special	1,411,313
Other	<u>196,341</u>
Sub-total	<u>6,531,999</u>
Support Services:	
Pupil	393,415
Instructional staff	366,081
General administration	53,559
School administration	707,968
Business services	1,078,173
Plant services	2,106,068
Transportation	371,657
Central services	404,001
Food services	639,391
Facility acquisition and construction	<u>7,256</u>
Sub-total	<u>6,127,569</u>
Total expenses	<u>12,659,568</u>
Change in net assets	(727,755)
Unrestricted net assets, beginning of year,	<u>4,416,884</u>
Unrestricted net assets, end of year	<u>\$ 3,689,129</u>

The accompanying notes are an integral part of these financial statements.

**BELLE CHASSE ACADEMY, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

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**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$ (727,755)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	558,458
Increase in prepaid expenses	(15,239)
Increase in grants receivable	(225,543)
Increase in accounts payable	401,635
Increase in accrued liabilities	214,621
Decrease in due to student groups	<u>(619)</u>
Net cash provided by operating activities	<u>205,558</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchases of furniture, fixtures and equipment	<u>(382,521)</u>
Net cash used in investing activities	<u>(382,521)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Decrease in capital lease obligations	<u>(243,598)</u>
Net cash used in financing activities	<u>(243,598)</u>
Decrease in cash and cash equivalents	(420,561)
Cash and cash equivalents, beginning of year	<u>4,276,983</u>
Cash and cash equivalents, end of year	<u>\$3,856,422</u>
Supplemental Disclosure for Cash Flows Purposes:	
Interest paid	<u>\$1,104,826</u>

The accompanying notes are an integral part of these financial statements.



**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 - Nature of Activities and Summary of Significant Accounting Policies:**

**General**

**Belle Chasse Academy, Inc. (BCA)** was granted a charter by the Louisiana State Board of Elementary and Secondary Education (BESE) in 2001 to operate a Type 2 public charter school. **BCA** seeks to provide a quality education and cater to the special needs of military dependent students, as well as provide convenient access for parents that have long and unusual work hours. **BCA** will seek to reduce service-connected disruptions and stress on military dependent students who frequently transfer schools. **BCA** will provide continuing student counseling on the unique challenges associated with being a military dependent child.

The school accepts students from military families that are located in the New Orleans region, residing both on and off base. While military dependents (to include U. S. Coast Guard dependents) will have priority, according to the approved charter, **BCA** is a charter public school and has an enrollment policy that may allow non-military dependent students entrance, if space is available.

During the 2008 school year, the school served kindergarten through eighth grades, with an enrollment of 813 students.

The educational mission of **BCA** is to establish a quality community-oriented charter school, which fosters an educational environment for the military dependent child and provides:

- o Substantial and direct community and parental participation in school administration;
- o A pooling of resources among community members, parents, and educators;
- o A comprehensive system to hold teachers, parents, and school administrators accountable for the student educational process;
- o A reliable, flexible, results-oriented, and adaptable system to effectively measure student achievement; and
- o Increase options for parents and students when choosing a school within Plaquemines Parish and contiguous parishes.

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - Nature of Activities and Summary of Significant Accounting Policies,  
Continued:

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Basis of Accounting

BCA's financial statements are prepared on the accrual basis and in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment of BCA with a cost of \$1,500 or more are recorded as assets (capitalized) and are stated at historical costs if purchased or at fair market value at the date of the gift, if donated. Additions, improvements and expenditures that significantly extend the useful life of an asset are capitalized.

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific use.

Grant Revenue

Revenues from governmental grants are recognized when allowable expenditures are made by BCA. Funds received for specific purposes but not yet expended are recorded as deferred revenue.

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - Nature of Activities and Summary of Significant Accounting Policies,  
Continued:

---

Statement of Cash Flows

For the purposes of the statement of cash flows, cash equivalents include all highly liquid instruments purchased with original maturities of three (3) months or less.

Income Taxes

BCA is exempt from federal income taxes through Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

Financial Statement Presentation

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations", BCA is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, as applicable.

At June 30, 2008, BCA has no temporarily or permanently restricted net assets.

Contributions

In accordance with Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made", unconditional promises to give (pledges) should be recorded as receivables and revenues and BCA is required to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - Nature of Activities and Summary of Significant Accounting Policies,  
Continued:

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Contributions, Continued

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Minimum Foundation Program (MFP)

BCA, as a Type 2 charter school, received funding from BESE in an amount for pupils based on estimated daily attendance at the school. The amount of funding received is adjusted during the school year based on the October 1<sup>st</sup> student count and the results of any audits performed.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among instructional and support services in the accompanying statement of activities.

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 2 - Capital Lease/Operating Leases:**

**Capital Lease**

BCA is the lessee of school facilities under a capital lease expiring in various years through 2051. The assets (see Note 3) and liability under the capital lease are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset.

Minimum future lease payments under the capital lease as of June 30, 2008 for each of the next five years and in the aggregate are:

<u>Year Ending</u>	<u>Amount</u>
2009	\$ 263,123
2010	287,246
2011	336,760
2012	396,671
2013	465,516
Subsequent to 2013	<u>10,499,797</u>
	<u>\$12,249,113</u>

Total minimum lease payments, interest, and the present value of net minimum lease payments for BCA's school facility cannot be determined because the rental payments are based on the debt service payments payable on a note held by the lessor. As such, the interest rate on the note is 150 basis points over Wall Street Prime Rate, adjusted quarterly and carrying a floor of 7 1/4%

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 2 - Capital Lease/Operating Leases, Continued:**

Operating Leases

In October 2001, **BCA** entered into a sublease agreement with the Louisiana Navy Family Housing L.L.C. to lease the land, in which the School facility is located on, for a rental payment of one dollar (\$1) for the entire lease term of October 1, 2001 to October 1, 2051. **BCA** also leases various equipment including copiers, fax machines and computers. Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one (1) year cannot be determined because such leases are classified as contingent rentals, whereby, the rental payments may increase or decrease based on future conditions.

**NOTE 3 - Property and Equipment:**

The following is a summary of property and equipment at June 30, 2008:

Land improvements	\$ 298,468
Furniture, fixtures and equipment	1,053,174
Software	16,901
Equipment held under capital lease	23,898
School facilities held under capital lease	13,292,532
Building and improvements	<u>256,313</u>
	14,941,286
Less accumulated depreciation and amortization	<u>(2,695,183)</u>
Property and equipment, net	<u>\$12,246,103</u>

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 3 - Property and Equipment, Continued:**

The assets under capital leases are amortized (or depreciated) over the lower of their related lease terms or their estimated useful lives. Amortization (or depreciation) of assets under capital leases is included in depreciation expense. At June 30, 2008, depreciation expense charged to assets under capital leases is \$332,712. The total amount of depreciation charged to operations at June 30, 2008 is \$558,458.

**NOTE 4 - Risk Management:**

**BCA** is exposed to various risks of loss related to torts, theft of, damage to and destruction of property for which **BCA** carries commercial liability insurance coverage.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

**NOTE 5 - Concentration of Credit Risk:**

**BCA** maintains cash balances at local banks. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) for amounts up to \$100,000. At June 30, 2008, **BCA** had \$73,668 of funds in excess of FDIC coverage.

**NOTE 6 - Contingency:**

**BCA** is a recipient of grants from the U. S. Department of Education (DOE) and U.S. Department of Agriculture (USDA). The grants are governed by various Federal guidelines, regulations, and contractual agreements.

**BELLE CHASSE ACADEMY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 6 - Contingency, Continued:**

The administration of the programs and activities funded by these grants are under the control and administration of BCA and are subject to audit and/or review by DOE and USDA. Any grant found to be not properly spent in accordance with the terms, conditions, and regulations of DOE and USDA may be subject to recapture.

**NOTE 7 - Compensated Absences:**

BCA's employees are entitled to paid vacation, sick and personal days off- none of which may be carried forward to the subsequent years. Since BCA's employment contracts are renewed annually, employees are not allowed to carry over such time and are paid for unused leave at the end of the school year.

**NOTE 8 - Board of Directors' Compensation:**

The board of directors is a voluntary board, therefore, no compensation was paid to any board member during the year ended June 30, 2008.



## **SUPPLEMENTARY INFORMATION**

**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

FEDERAL GRANTOR/PASS THROUGH GRANTOR <u>PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
U. S. Department of Education Federal Impact Aid	84.041	\$2,570,846
U. S. Department of Education Passed through State Department of Education:		
IDEA Part B-Special Education	84.027	141,495
Title I - Part A	84.010	206,483
Title II - Part A	84.367	55,945
Title IV - Safe & Drug Free Schools	84.186	4,395
Title V	84.298	1,057
Hurricane Katrina Foreign Contributions	84.940C	<u>190,450</u>
Total U. S. Department of Education		<u>3,170,671</u>
U. S. Department of Agriculture Passed through State Department of Education:		
School Lunch Program	10.555	<u>131,135</u>
Total Expenditures of Federal Awards		<u>\$3,301,806</u>

NOTE: The accompanying schedule of expenditures of federal awards includes the federal grant activity of BCA and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See Independent Auditors' Report on Supplementary Information.



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
**Belle Chasse Academy, Inc.**

We have audited the financial statements of **Belle Chasse Academy, Inc. (BCA)**, (a not-for-profit corporation) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 19, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered **BCA's** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **BCA's** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **BCA's** internal control over financial reporting.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)

**Internal Control Over Financial Reporting, Continued**

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects **BCA's** ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of **BCA's** financial statements that is more than inconsequential will not be prevented or detected by **BCA's** internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by **BCA's** internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **BCA's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted a matter that we reported to management of **BCA** in a separate letter dated December 19, 2008.

This report is intended solely for the information and use of management, **BCA's** Board of Directors, the Louisiana Legislative Auditor, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*  
**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

December 19, 2008



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors of  
**Belle Chasse Academy, Inc.**

**Compliance**

We have audited the compliance of **Belle Chasse Academy, Inc. (BCA)** with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 2008. **BCA's** major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of **BCA's** management. Our responsibility is to express an opinion on **BCA's** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis,

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133  
(CONTINUED)

**Compliance, Continued**

evidence about **BCA's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **BCA's** compliance with those requirements.

In our opinion, **BCA** complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2008.

**Internal Control Over Compliance**

The management of **BCA** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered **BCA's** internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **BCA's** internal control over compliance.

A control deficiency in **BCA's** internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects **BCA's** ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by **BCA's** internal control.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133  
(CONTINUED)

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by BCA's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, BCA's Board of Directors, the Louisiana Legislative Auditor, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*  
BRUNO & TERVALON LLP  
CERTIFIED PUBLIC ACCOUNTANTS

December 19, 2008



**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

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**Section I - SUMMARY OF AUDITORS' RESULTS**

- A. The type of report issued on the financial statements: unqualified opinion.
- B. Significant deficiencies in internal control were disclosed by the audit of the financial statements: no Material weakness: no.
- C. Noncompliance which is material to the financial statements: no.
- D. Significant deficiencies conditions in internal control over major programs: no Material weaknesses: no.
- E. The type of report issued on compliance for major programs: unqualified opinion.
- F. Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: no.
- G. Major programs:
  - United States Department of Education:
  - Federal Impact Aid
  - (CFDA No. 84:041)

**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2008**

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**Section I - SUMMARY OF AUDITORS' RESULTS, CONTINUED**

- H. Dollar threshold used to distinguish between Type A and Type B programs:  
\$300,000.
- I. Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: yes.
- J. A management letter issued: yes.

**Section II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS  
REPORTED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS**

No matters reported.

**Section III - FINDINGS AND QUESTIONED COSTS  
RELATED TO FEDERAL AWARDS**

No matters reported.

**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

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**SECTION I - Internal Control and Compliance**  
**Material to the Financial Statements**

No matters reported.

**SECTION II - Internal Control and Compliance**  
**Material to Federal Awards**

No matters reported.

**SECTION III - Management Letter**

No matters reported.

BELLE CHASSE ACADEMY, INC.  
INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
FOR THE YEAR ENDED JUNE 30, 2008

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Member  
American Institute of  
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**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES**

---

To the Board of Directors  
**Belle Chasse Academy, Inc.**

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **Belle Chasse Academy, Inc. (BCA)** and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management, Board of Directors, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*

**BRUNO & TERVALON LLP  
CERTIFIED PUBLIC ACCOUNTANTS**

December 19, 2008

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS**

Our procedures and findings relate to the accompanying schedules and are as follows:

***General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources (SCHEDULE 1)***

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following reported on the schedule:
  - Total General Fund Instructional Expenditures,
  - Total General Fund Equipment Expenditures,
  - Total Local Taxation Revenue,
  - Total Local Earnings on Investment in Real Property,
  - Total State Revenue in Lieu of Taxes,
  - Nonpublic Textbook Revenue, and
  - Nonpublic Transportation Revenue.

No differences noted.

***Education Levels of Public School Staff (SCHEDULE 2)***

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (SCHEDULE 4) to the combined total number of full-time classroom teachers per this schedule and to **BCA's** supporting payroll records as of October 1, 2007.

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS, CONTINUED**

**Education Levels of Public School Staff (SCHEDULE 2), Continued**

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (SCHEDULE 4) to the combined total of principals and assistant principals per this schedule.

No differences noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2007 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

No differences noted.

**Number and Type of Public Schools (SCHEDULE 3)**

5. We did not obtain a list of schools by type as reported on the schedule. Also, we did not compare the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

This procedure was not applicable because BCA operates only one charter school, which includes grades K to 8th.



INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Experience of Public Principals and Full-time Classroom Teachers (SCHEDULE 4)*

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2007 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

No differences noted.

*Public School Staff Data (SCHEDULE 5)*

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

No differences noted.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

No differences noted.

INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

*Class Size Characteristics (SCHEDULE 6)*

9. We obtained a list of classes by school, school type and class size as reported on the schedule. We then traced a random sample of 10 classes to the October 1, 2007 roll books for those classes and determined if the class was properly classified on the schedule.

No differences noted.

*Louisiana Educational Assessment Program (LEAP) for  
the 21<sup>st</sup> Century (SCHEDULE 7)*

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by BCA.

No differences noted.

*Graduation Exit Exam for the 21<sup>st</sup> Century (SCHEDULE 8)*

11. We did not obtain test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by BCA.

This procedure was not applicable because BCA operates only one charter school, which includes grades K to 8th.

*The iLEAP Tests (SCHEDULE 9)*

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by BCA.

No differences noted.

**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -**  
**PERFORMANCE AND STATISTICAL DATA)**

---

**SCHEDULE 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources**

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum, Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**SCHEDULE 2 - Education Levels of Public School Staff**

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph.D. or Ed.D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**SCHEDULE 3 - Number and Type of Public Schools**

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**SCHEDULE 4 - Experience of Public Principals and Full-time Classroom Teachers**

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -**  
**PERFORMANCE AND STATISTICAL DATA, CONTINUED)**

---

**SCHEDULE 5 - Public School Staff Data**

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**SCHEDULE 6 - Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20; 21-26, 27-33, and 34+students. This data is currently reported to the Legislature in the Annual School Report (ASR).

**SCHEDULE 7 - Louisiana Educational Assessment Program (LEAP)  
for the 21<sup>st</sup> Century**

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**SCHEDULE 8 - The Graduation Exit Exam for the 21<sup>st</sup> Century**

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**BELLE CHASSE ACADEMY, INC.**  
**SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -**  
**PERFORMANCE AND STATISTICAL DATA, CONTINUED)**

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**SCHEDULE 9   -   The iLEAP Tests**

This schedule represents student performance testing data and includes statewide and district summary scores for grades 3, 5, 6, 7 and 9 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory.

**BELLE CHASSE ACADEMY, INC.**

**Schedule J**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2008**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures:**

**Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$	2,744,752	
Other Instructional Staff Activities		2,261,239	
Employee Benefits		722,086	
Purchased Professional and Technical Services		62,706	
Instructional Materials and Supplies		484,113	
Instructional Equipment		-	
Total Teacher and Student Interaction Activities	\$		6,274,896

Other Instructional Activities 257,103

Pupil Support Activities 393,415

Less: Equipment for Pupil Support Activities

Net Pupil Support Activities 393,415

Instructional Staff Services 366,081

Less: Equipment for Instructional Staff Services

Net Instructional Staff Services 366,081

School Administration 707,968

Less: Equipment for School Administration

Net School Administration 707,968

Total General Fund Instructional Expenditures \$ 7,999,463

Total General Fund Equipment Expenditures \$ -

**Certain Local Revenue Sources**

**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$	-
Renewable Ad Valorem Tax		-
Debt Service Ad Valorem Tax		-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		-
Sales and Use Taxes		-
Total Local Taxation Revenue	\$	-

**Local Earnings on Investment in Real Property:**

Earnings from 16th Section Property		-
Earnings from Other Real Property		-
Total Local Earnings on Investment in Real Property	\$	-

**State Revenue in Lieu of Taxes:**

Revenue Sharing - Constitutional Tax	\$	-
Revenue Sharing - Other Taxes		-
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes	\$	-

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

See accompanying independent accountants' report on applying agreed-upon procedures.

**Education Levels of Public School Staff**  
As of October 1, 2007

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	42	70%	3	100%		0%		
Master's Degree	16	27%			3	75%		
Master's Degree +30	1	2%			1	25%		
Specialist in Education	1	2%				0%		
Ph.D. or Ed.D.		0%				0%		
Total	60	100%	3	100%	4	100%		

See accompanying independent accountants' report on applying agreed-upon procedures.

Number and Type of Public Schools  
For the Year Ended June 30, 2008

Type	Number
Elementary: Type II Charter School	1
Middle/Jr. High	
Secondary	
Combination	
Total	1

See accompanying independent accountants' report on appying agreed-upon procedures.



**BELLE CHASSE ACADEMY, INC.**

**Schedule 4**

**Experience of Public Principals and Full-time Classroom Teachers  
As of October 1, 2007**

	0 - 1 Yr.	2 - 3 Yrs.	4 - 10 Yrs.	11 - 14 Yrs.	15 - 19 Yrs.	20 - 24 Yrs.	25+ yrs.	Total
Assistant Principals			3					4
Principals			1					1
Classroom Teachers	7	10	23	6	10	3	3	62
Total	7	10	27	6	10	3	3	67

See accompanying independent accountants' report on applying agreed-upon procedures.

Public School Staff Data  
For the Year Ended June 30, 2008

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Excluding Extra Compensation	42,193	
Average Classroom Teachers' Salary Including Extra Compensation		
Number of Teachers' Full-time Equivalents (FTEs) used in Computation of Average Salaries	58	

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation.

See accompanying independent accountants' report on applying agreed-upon procedures.

**Class Size Characteristics**  
**As of October 1, 2007**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	22%	6	78%	21				
Elementary Activity Classes								
Middle/Jr. High	75%	12	25%	4				
Middle/Jr. High Activity Classes								
High								
High Activity Classes								
Combination								
Combination Activity Classes								

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students.

See accompanying independent accountants' report on applying agreed-upon procedures.

Louisiana Educational Assessment Program (LEAP) for the 21st Century  
For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts						Mathematics					
	2008		2007		2006		2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	2	2.1%	3	4.0%	4	4.4%	2	2.1%	3	4.0%	2	2.2%
Proficient	27	27.8%	15	20.0%	16	17.8%	20	20.6%	14	18.7%	17	18.9%
Basic	46	47.4%	39	52.0%	49	54.4%	57	58.8%	43	57.3%	37	41.1%
Approaching Basic	19	19.6%	14	18.7%	12	13.3%	13	13.4%	14	18.7%	24	26.7%
Unsatisfactory	3	3.1%	4	5.3%	9	10.0%	5	5.2%	1	1.3%	10	11.1%
<b>Total</b>	<b>97</b>	<b>100.0%</b>	<b>75</b>	<b>100.0%</b>	<b>90</b>	<b>100.0%</b>	<b>97</b>	<b>100.0%</b>	<b>75</b>	<b>100.0%</b>	<b>90</b>	<b>100.0%</b>

District Achievement Level Results	Science						Social Studies					
	2008		2007		2006		2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	1	1.4%	2	2.7%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Proficient	13	18.3%	11	15.1%	10	17.5%	5	7.0%	13	17.8%	6	10.5%
Basic	29	40.8%	38	52.1%	22	38.6%	38	53.5%	47	64.4%	31	54.4%
Approaching Basic	23	32.4%	17	23.3%	16	28.1%	25	35.2%	9	12.3%	14	24.6%
Unsatisfactory	5	7.0%	5	6.8%	9	15.8%	3	4.2%	4	5.5%	6	10.5%
<b>Total</b>	<b>71</b>	<b>100.0%</b>	<b>73</b>	<b>100.0%</b>	<b>57</b>	<b>100.0%</b>	<b>71</b>	<b>100.0%</b>	<b>73</b>	<b>100.0%</b>	<b>57</b>	<b>100.0%</b>

See accompanying independent accountants' report on applying agreed-upon procedures.

The Graduate Exit Exam for the 21st Century  
For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts						Mathematics					
	2008		2007		2006		2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced												
Proficient												
Basic												
Approaching Basic												
Unsatisfactory												
Total												

District Achievement Level Results	Science						Social Studies					
	2008		2007		2006		2008		2007		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced												
Proficient												
Basic												
Approaching Basic												
Unsatisfactory												
Total												

Note: This schedule does not apply.

See accompanying independent accountants' report on applying agreed-upon procedures.

The *iLEAP* Tests

For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	6	6.1%	9	9.1%	6	6.1%	2	2.0%
Mastery	24	24.2%	21	21.2%	20	20.2%	17	17.2%
Basic	45	45.5%	44	44.4%	40	40.4%	58	58.6%
Approaching Basic	21	21.2%	18	18.2%	29	29.3%	19	19.2%
Unsatisfactory	3	3.0%	7	7.1%	4	4.0%	3	3.0%
<b>Total</b>	<b>99</b>	<b>100.0%</b>	<b>99</b>	<b>100.0%</b>	<b>99</b>	<b>100.0%</b>	<b>99</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	2	2.6%	2	2.6%	1	1.3%	1	1.3%
Mastery	21	27.3%	12	15.6%	18	23.4%	11	14.3%
Basic	41	53.2%	43	55.8%	34	44.2%	50	64.9%
Approaching Basic	11	14.3%	15	19.5%	19	24.7%	11	14.3%
Unsatisfactory	2	2.6%	5	6.5%	5	6.5%	4	5.2%
<b>Total</b>	<b>77</b>	<b>100.0%</b>	<b>77</b>	<b>100.0%</b>	<b>77</b>	<b>100.0%</b>	<b>77</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	3	2.8%	3	2.8%	0	0.0%	6	5.6%
Mastery	20	18.7%	9	8.3%	15	14.0%	16	15.0%
Basic	62	57.9%	68	63.0%	67	62.6%	65	60.7%
Approaching Basic	21	19.6%	15	13.9%	21	19.6%	12	11.2%
Unsatisfactory	1	0.9%	13	12.0%	4	3.7%	8	7.5%
<b>Total</b>	<b>107</b>	<b>100.0%</b>	<b>108</b>	<b>100.0%</b>	<b>107</b>	<b>100.0%</b>	<b>107</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	3	3.5%	2	2.4%	0	0.0%	5	5.9%
Mastery	14	16.5%	7	8.2%	11	12.9%	15	17.6%
Basic	39	45.9%	35	41.2%	37	43.5%	43	50.6%
Approaching Basic	24	28.2%	31	36.5%	30	35.3%	15	17.6%
Unsatisfactory	5	5.9%	10	11.8%	7	8.2%	7	8.2%
<b>Total</b>	<b>85</b>	<b>100.0%</b>	<b>85</b>	<b>100.0%</b>	<b>85</b>	<b>100.0%</b>	<b>85</b>	<b>100.0%</b>

Note: Due to rounding, certain percentage totals may not equal 100%.

See accompanying independent accountants' report on applying agreed-upon procedures.

The *iLEAP* Tests

For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	6	7.2%	1	1.2%	2	2.4%	0	0.0%
Mastery	24	28.9%	22	26.5%	10	12.0%	15	18.1%
Basic	35	42.2%	45	54.2%	51	61.4%	48	57.8%
Approaching Basic	14	16.9%	10	12.0%	15	18.1%	13	15.7%
Unsatisfactory	4	4.8%	5	6.0%	5	6.0%	7	8.4%
<b>Total</b>	<b>83</b>	<b>100.0%</b>	<b>83</b>	<b>100.0%</b>	<b>83</b>	<b>100.0%</b>	<b>83</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	2	2.0%	2	2.0%	1	1.0%	1	1.0%
Mastery	17	16.8%	15	14.9%	16	15.8%	12	11.9%
Basic	54	53.5%	45	44.6%	48	47.5%	58	57.4%
Approaching Basic	21	20.8%	19	18.8%	29	28.7%	21	20.8%
Unsatisfactory	7	6.9%	20	19.8%	7	6.9%	9	8.9%
<b>Total</b>	<b>101</b>	<b>100.0%</b>	<b>101</b>	<b>100.0%</b>	<b>101</b>	<b>100.0%</b>	<b>101</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	2	2.2%	6	6.6%	1	1.1%	3	3.3%
Mastery	17	18.7%	13	14.3%	13	14.3%	17	18.7%
Basic	46	50.5%	37	40.7%	38	41.8%	40	44.0%
Approaching Basic	14	15.4%	18	19.8%	29	31.9%	22	24.2%
Unsatisfactory	12	13.2%	17	18.7%	10	11.0%	9	9.9%
<b>Total</b>	<b>91</b>	<b>100.0%</b>	<b>91</b>	<b>100.0%</b>	<b>91</b>	<b>100.0%</b>	<b>91</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	2	2.6%	3	3.9%	0	0.0%	0	0.0%
Mastery	12	15.8%	4	5.3%	8	10.5%	15	19.7%
Basic	32	42.1%	37	48.7%	36	47.4%	41	53.9%
Approaching Basic	25	32.9%	18	23.7%	21	27.6%	17	22.4%
Unsatisfactory	5	6.6%	14	18.4%	11	14.5%	3	3.9%
<b>Total</b>	<b>76</b>	<b>100.0%</b>	<b>76</b>	<b>100.0%</b>	<b>76</b>	<b>100.0%</b>	<b>76</b>	<b>100.0%</b>

Note: Due to rounding, certain percentage totals may not equal 100%.

See accompanying independent accountants' report on applying agreed-upon procedures.

The iLEAP Tests

For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	1	1.5%	2	3.0%	1	1.5%	3	4.5%
Mastery	6	9.0%	8	11.9%	9	13.4%	5	7.5%
Basic	38	56.7%	30	44.8%	40	59.7%	43	64.2%
Approaching Basic	18	26.9%	21	31.3%	15	22.4%	13	19.4%
Unsatisfactory	4	6.0%	6	9.0%	2	3.0%	3	4.5%
<b>Total</b>	<b>67</b>	<b>100.0%</b>	<b>67</b>	<b>100.0%</b>	<b>67</b>	<b>100.0%</b>	<b>67</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	2	3.1%	2	3.1%	0	0.0%	0	0.0%
Mastery	11	17.2%	10	15.6%	15	23.4%	7	10.9%
Basic	31	48.4%	33	51.6%	26	40.6%	37	57.8%
Approaching Basic	13	20.3%	7	10.9%	17	26.6%	12	18.8%
Unsatisfactory	7	10.9%	12	18.8%	6	9.4%	8	12.5%
<b>Total</b>	<b>64</b>	<b>100.0%</b>	<b>64</b>	<b>100.0%</b>	<b>64</b>	<b>100.0%</b>	<b>64</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	1	1.4%	1	1.4%	1	1.4%	0	0.0%
Mastery	11	15.5%	8	11.3%	7	9.9%	4	5.7%
Basic	35	49.3%	38	53.5%	33	46.5%	39	55.7%
Approaching Basic	15	21.1%	11	15.5%	22	31.0%	15	21.4%
Unsatisfactory	9	12.7%	13	18.3%	8	11.3%	12	17.1%
<b>Total</b>	<b>71</b>	<b>100.0%</b>	<b>71</b>	<b>100.0%</b>	<b>71</b>	<b>100.0%</b>	<b>70</b>	<b>100.0%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	3	4.3%	2	2.9%	1	1.4%	0	0.0%
Mastery	11	15.9%	3	4.3%	7	10.1%	9	13.0%
Basic	33	47.8%	42	60.9%	37	53.6%	49	71.0%
Approaching Basic	18	26.1%	13	18.8%	19	27.5%	7	10.1%
Unsatisfactory	4	5.8%	9	13.0%	5	7.2%	4	5.8%
<b>Total</b>	<b>69</b>	<b>100.0%</b>	<b>69</b>	<b>100.0%</b>	<b>69</b>	<b>100.0%</b>	<b>69</b>	<b>100.0%</b>

Note: Due to rounding, certain percentage totals may not equal 100%.

See accompanying independent accountants' report on applying agreed-upon procedures.





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## INDEPENDENT AUDITORS' COMMENT TO MANAGEMENT

To the Board of Directors of  
**Belle Chasse Academy, Inc.**

We have audited the financial statements of **Belle Chasse Academy, Inc. (BCA)** for the year ended June 30, 2008, and have issued our report thereon dated December 19, 2008.

In planning and performing our audit of the financial statements of **BCA** as of and for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered **BCA's** internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **BCA's** internal control. Accordingly, we do not express an opinion on the effectiveness of **BCA's** internal control.

However, during our audit we became aware of certain matter that is an opportunity for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comment and suggestion regarding the matter. This letter does not affect our report dated December 19, 2008, on the financial statements of **BCA**.

We will review the status of the comment during our next audit engagement. We have already discussed the comment and suggestion with various personnel of **BCA**, and we will be pleased to discuss it in further detail at your convenience, to perform any additional study of the matter, or to assist you in implementing the recommendation.

**BELLE CHASE ACADEMY, INC.**  
**CURRENT YEAR MANAGEMENT LETTER COMMENT**

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**08-01 Deficit in Operations**

The results of our June 30, 2008 audit reported a deficiency of expenses over revenues at year end. At the beginning of the fiscal year, a balanced budget was prepared by management.

In discussion with management, it was indicated that it advises the Board of Directors on the school's financial status through monthly financial statements, finance committee meetings, briefings during its board meetings, and quarterly reports provided to the state.

In our review of the minutes of the Board of Directors and Finance Committee meetings, however, we noted no evidence of discussions of the status of operations relative to an identification of the operational deficit. In addition, we noted no indication of the budget being amended to reflect the projected deficit.

**Recommendation**

Although **BCA's** finances are sound relative to the total net assets, we recommend that in the future, minutes of the meetings of the Finance Committee reflect evidence of the Committee and Board awareness of any deficit or excess in financial operations. We also recommend that at the point in the fiscal year a deficit is anticipated the original budget be amended accordingly and presented to the Finance Committee.

**Management's Response**

**BCA** will take appropriate measures to ensure that the minutes of the meetings of the Finance Committee indicate evidence of discussion of the status of operations relative to an identification of the operational deficit. Also, at the point in the fiscal year a deficit is anticipated, the original budget will be amended accordingly and presented to the Finance Committee.

INDEPENDENT AUDITORS' COMMENT TO MANAGEMENT  
(CONTINUED)

This report is intended solely for the information and use of management, BCA's Board of Directors, the Louisiana Legislative Auditor, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*  
BRUNO & TERVALON LLP  
CERTIFIED PUBLIC ACCOUNTANTS

December 19, 2008